



# United States Department of Agriculture

## Rural Development



### 515 Direct Rural Rental Housing Program

[www.rurdev.usda.gov/me](http://www.rurdev.usda.gov/me)

#### ◆ OBJECTIVE

Assist rural Maine households in obtaining affordable rental housing

#### ◆ ELIGIBLE APPLICANTS

- ◆ Individuals
- ◆ Partnerships, including limited partnerships
- ◆ State or local public agencies
- ◆ Profit and non-profit corporations
- ◆ Associations
- ◆ Trusts
- ◆ Consumer Cooperatives
- ◆ Indian Tribes

#### ◆ ELIGIBLE PROPERTIES

- ◆ Must be located in one of the communities identified on the State Place Ranking List published annually by Rural Development.
- ◆ Applications are accepted in accordance with the "Notice of Funding Availability (NOFA)" which is published annually in the federal register. The NOFA outlines timeframes and requirements for submitting an application which is rated competitively in order to select recipients.

#### ◆ LOAN PURPOSES

- ◆ Buy and improve land on which the buildings are to be located
- ◆ Provide streets, water and waste disposal systems
- ◆ Provide appropriate recreation and service facilities
- ◆ Install laundry facilities and equipment
- ◆ Landscaping and other measures to make the housing an attractive addition to the community
- ◆ Substantial Rehabilitation of existing buildings (not currently within Rural Development's portfolio) as long as the total development costs of the rehabilitation do not exceed the total development costs of new construction for a project similar in size and design.
- ◆ Repair and Rehabilitation of existing Rural Development properties
- ◆ Housing for tenants with very low, low, and moderate income as defined by Rural Development

## ◆ RATES & TERMS

- ◆ Competitive rates available at Rural Development offices
- ◆ Subsidized rates are available to applicants. Subsidy can reduce effective interest rate to 1%
- ◆ 30 year loans amortized at 50 years
- ◆ Up to 102% for non-profit corporations, 97% for applicants without tax credits, and 95% for applicants with tax credits, of the appraised value or total development costs can be borrowed. Proposals with higher amounts of leveraged assistance funding receive priority.
- ◆ Required initial contribution of 3% for applicants without tax credits and 5% for applicants with tax credits with an annual 8% return subject to adequate cash flow.
- ◆ Required 2% initial operating and maintenance contribution. Possible return of this contribution subject to procedural requirements

## ◆ FEES

- ◆ Credit Report: \$28 for individual; \$38 for joint reports; \$40 for corporations

For more information regarding the 515 Direct Rural Rental Housing Program visit our web site at [www.rurdev.usda.gov/me](http://www.rurdev.usda.gov/me), or contact the **Rural Development Area Office** serving your county:

### **State Office**

**Dale D. Holmes, Program Director**  
967 Illinois Avenue, P O Box 405  
Bangor, ME 04402-0405  
Tel: (207) 990-9110

### **Bangor Area Office**

28 Gilman Plaza, Suite 3  
Bangor, ME 04401  
Tel: (207) 990-3676, ext. 4

Somerset, Piscataquis, Penobscot,  
Hancock, Waldo

### **Presque Isle Area Office**

99 Fort Fairfield Road  
Presque Isle, ME 04769-5015  
Tel: (207) 764-4155, ext. 4

Aroostook, Washington,  
& Northern Penobscot

### **Lewiston Area Office**

254 Goddard Road  
P O Box 1938  
Lewiston, ME 04241-1938  
Tel: (207) 753-9400, ext. 200

Franklin, Oxford, Kennebec, Sagadahoc,  
Androscoggin, Cumberland, York, Lincoln,  
Knox

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